BRIDGEMARK STRATEGIES

YOUR FIRM WAS SOLD...

NOW WHAT?

A STEP-BY-STEP GUIDE TO MAXIMIZE OUTCOMES AND MINIMIZE STRESS WHEN YOU LEARN YOUR FIRM IS SELLING OR MERGING.

Executive Summary

Mergers and acquisitions have become a defining feature of today's financial services landscape. Broker-dealer consolidation, RIA rollups, and private equity investments are reshaping how advisors and firms operate — often at a pace that leaves little time to prepare.

For financial advisors whose firm has just been sold, the immediate reaction is often uncertainty. But as Jeff Nash, CEO and Co-Founder of Bridgemark Strategies, explains, "While it's disruptive to your business, in many cases it's a healthy disruption." The key lies in understanding what's happening, taking the time to evaluate your options, and making informed, intentional decisions.

This paper outlines what advisors should know — and do — when their firm changes hands.

The Landscape of Consolidation

Consolidation has touched nearly every corner of the wealth management ecosystem — from wirehouses and insurance broker-dealers to independent BDs and RIAs.

"This isn't new," Nash points out. "It's been going on for as long as I've been in the business." But what's changed is who's being acquired and the speed of those deals. Smaller and mid-sized firms that once seemed immune are now prime acquisition targets.

The reasons vary — access to better technology, the search for scale, or simply monetization opportunities for firm owners — but the effect on advisors is the same: disruption. "You didn't ask for it," Nash adds, "but it doesn't have to be detrimental."

Initial Reactions and Realities

The moment an acquisition hits the newswire, advisors are flooded with calls, emails, and LinkedIn messages. Recruiters move quickly, often framing the transition as urgent and catastrophic.

Corey Walen, Managing Partner at Bridgemark Strategies, cautions against this rush:

"All of a sudden, you're getting phone calls and emails from every recruiter in the industry, telling you that you need to make a decision fast. That's really not the case."

In nearly every situation, advisors may have six to as many as twelve months before any real transition occurs. In that window, it's crucial to pause, define your goals, and approach due diligence methodically — not reactively.

Assess Before You Act

Whether you realize it or not, you are now a recruit. And unfortunately, when you are electing to evaluate changing firms in a normal scenario, you can do so with anonymity and at your pace. Now everyone knows who you are and that you are "in-play".

You will be recruited by your current firm to stay, as well as the new firm which acquired your firm to stay. Simultaneously, you will be excessively harassed by both independent recruiters and recruiters working for competitive firms who are out to scare you and convince you that you need to switch firms.

As the recruiting process unfolds, you will learn that recruiters are very good at telling part of the story, and this may include the incumbent. They all share the parts they want you to hear, not necessarily all of the parts you need to hear. This is why it's important to take control of your information flow.

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Assess Before You Act - Cont.

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Too many advisors focus solely on economics, but Nash frames this as just one “leg of a three-legged stool,” the others being fit (how well the firm’s products, tools, technology, and overall support align with your business) and feel (the firm’s philosophy and goals and how it aligns with an advisors philosophy and goals and overall firm culture).

This introspection helps advisors filter out noise — the shiny and in many cases short term incentives and fear-based pitches that can cloud judgment.

Setting Goals & Guardrails

When evaluating options, clarity matters. Advisors should document:

- Must-haves - The tools, services, and support you cannot operate without
- Deal-breakers - What would make a new affiliation unworkable
- Nice-to-haves - Features that enhance growth but aren’t critical, in many cases these may be areas the old firm you were with couldn’t do or wouldn’t permit that the new firm may be better suited for.

Without this framework, you risk letting others define your priorities. As Nash notes, “If you don’t set your own goals, the recruiters on the other side will tell you what’s important based on what their strengths are.”

Expect a Bumpy Transition

Even in the best-case scenario, transitions are rarely seamless. Now that your firm has been acquired, here is what you can expect:

Likely, you will have two choices: stay with the firm and align with the new acquirer, or change firms altogether and join a firm of your choosing.

In an acquisition, the acquiring firm will typically ease the transition and simplify the operational conversions. This may include paperless transitions, client negative consent, bulk or block transfers and maintaining access to products or money management solutions.

There is little debate that the real experience won't be exactly as advertised. There is also little debate that the acquiring firm will make the transition easier and simpler, as compared to changing firms outright.

The difference is that all transitions are functions of several things happening in a very short time period. This creates opportunities for mistakes, and mistakes can be stressful. Unfortunately, even in the best of scenarios, problems and issues can - and often do - occur in any transition.

"Imagine onboarding 300 new clients to your practice on the same day," Walen says. "There's going to be mistakes. Things will get a little sloppy. It's not going to be perfect."

This isn't a sign of failure — it's the reality of complex systems and human processes. Nash adds that even small data errors can cause ripple effects across hundreds of accounts. Advisors who anticipate these hiccups can better prepare their teams and clients.

Most advisors, according to Walen, don't feel fully back in rhythm until "three or four months after the transition." Patience and realistic expectations are key.

In short, any transition - whether it's done by a firm acquiring another firm or an advisor choosing to change B/Ds - can be a challenge. A factor to consider whenever considering changing firms, how many other advisors are being transitioned at the same time? What resources will you have that are dedicated to you and your success?

Loyalty and Objectivity

One of the more nuanced points the discussion raises is the concept of loyalty. Nash is candid: "I hate how folks use the word loyalty when loyalty is really just a one-way street. Loyalty should be mutual."

Advisors are often asked to "stay loyal" to a firm that made its own calculated business decision to sell — sometimes for financial gain, sometimes for operational improvement. It's fair for advisors to take the same disciplined approach and explore alternatives objectively. However, advisors that choose a different path for their own reasons are often called out for being disloyal.

That doesn't mean leaving is always the right move. In fact, both Nash and Walen point out that ***70–90% of advisors ultimately stay,*** and many thrive, post-merger. The key is that staying should be an active decision, not a passive default.

The Value of Guidance

Change brings emotion. As Walen puts it, "This is undoubtedly one of the most emotional decisions you'll have to make." Having an experienced consultant or advisor to help filter noise and translate industry jargon into actionable insight can make a world of difference.

Not all consultants are created equal, of course. "There are really, really good ones," Walen says, "and there are ones that aren't as competent." Advisors should apply the same due diligence they expect from clients when choosing who to trust during a transition. Nash adds that quality consultants don't pressure advisors one way or another: "The right consultants will also help you truly evaluate the incumbent. We've literally told advisors they're better off just staying where they are."

That kind of objectivity builds confidence — and helps advisors make choices aligned with their values and clients' needs.

Conclusion

Firm sales and consolidations are inevitable. Disruption is, too. But the experience doesn't have to be negative. Advisors who take time to understand their business, document their priorities, and seek objective guidance often emerge stronger and more focused.

"Do the research," Nash concludes. "You owe it to yourself to make sure you're making the right decision. Whatever that decision is, you can be confident and comfortable in it."